

CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

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1. The new economic program in Poland is the outgrowth of official realization that the present economic structure in Poland is seriously lacking in capability to provide the country with its basic economic needs. Substantial drops in production, notable in the agricultural field, have compelled the Party to take radical steps to improve overall productivity.

2. [] deficiencies in the supply of essentials such as bread, butter, eggs, and meat. [] food shortages to passive peasant resistance, to collectivization and to increasing government control over agriculture. The food supply problem is aggravated by increasing exports of food and consumer goods to Communist China and the Satellites, especially those whose boundaries are contiguous to the West. The Communist policy is to keep the living standard of peripheral countries as high as possible so that their economic condition compares favorably with that prevailing in the neighboring West. East Germany is the best example of this support policy, with Czechoslovakia next.

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3. The food shortage in Poland is also attributable to the Soviet Union's stockpiling effort. [] officially the Party does not admit the real causes of the growing shortages in Poland; instead, it casts the blame on "enemies of the state" and uses the existing state of affairs to further its political aims, particularly with respect to collectivization. It speaks eloquently of its desire to elevate the living standard of the workers and intelligentsia without detailed explanation of the reasons

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25 YEAR
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for its original decline. The topic of food shortages and its causes is discussed freely in UB circles and among high Party functionaries.

4. The new economic plan [] is part of the recently instituted Soviet policy to forego some of its production goals in heavy industry, including the field of armaments, for purposes of bettering the economic lot of the masses. It will be recalled that soon after the Soviet Union announced price reductions in consumer goods (1953), Hungary, Czechoslovakia, and Poland followed suit. In Poland, the shift in emphasis was immediately evident in the suspension of work in industries considered non-essential. The Warsaw metro (subway) construction was curtailed so that only a part is now being completed. [] this construction is taking on the aspect of a bomb shelter).

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5. []
[] any radical alteration or adjustment of basic Communist policy in the Satellites contains the proverbial "fly in the ointment". Consequently, any mitigation or lessening of pressure in the existing order should be examined carefully. The current softening-up of the situation in the USSR and the Satellites might presage an important change in overall Communist strategy toward the West with a likely impact on the war in the Far East.

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6. The decisions affecting the implementation of the "new course" in Poland were made at the 9th Plenum of the Communist Party in Warsaw (November 1953). At that time, the price decreases in consumer goods were agreed upon and other changes involving industrial and agricultural production also were voted. [] there has not yet been enough time to note any deviationism in the "new course". Judging from commentaries now appearing in Party journals, the "new course" is fairly well established.

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7. Discussions relating to the "new course" began in the spring of 1953. BIERUT himself promised to alleviate the critical food situation as early as July 1953. The late implementation of the plan was due to the opposition of Hilary MINC, Chairman of the P K PG, who argued that reserve food supplies were very low and the implementation of the change might have an adverse economic effect. At this time, Poland was in critical need of grain and was attempting to obtain supplies from the Soviet Union and the Satellites, especially Hungary. The "new course" was delayed only because of MINC's dogged opposition and the fact that Poland could not yet afford it. For these reasons the modifications of the Six-Year Plan are comparatively minor when contrasted with changes adopted by other satellite countries.

8. It was expected that the Second PZPR Congress during its March 1954 session would discuss the all-important modification of the Party statutes to bring them in closer conformity with those of the Soviet Union. The critical economic situation also would be discussed in the light of previous price reductions in food and consumer goods. Collectivization, still badly retarded in Poland in the opinion of the Party, would be a major issue at the Congress. These discussions may precipitate certain policy and organizational changes within the Party but their nature had not been officially disclosed as late as December 1953.

9. The only known preparation for the Congress was the selection of the site, the building of the Physical Training Academy (Akademja Wychowania Fizycznego) at Zoliborz on the outskirts of Warsaw. []

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10. The 19th Congress of the Communist Party of the Soviet Union (CPSU) of October 1952, like other important CPSU conventions, was given wide publicity in Poland. The proceedings of the Congress, printed originally in Moscow journals, were publicized widely in Trybuna Ludu, the official Communist Party organ in Warsaw. Subsequently, the Communist Party reprinted

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the proceedings and used them as a basis for their Party discussions for the next several months. [] there is no room for interpretation of the decisions of the CPSU. The CPSU established the Party line, "the gospel of MARX", and it is followed meticulously by Party leaders in Poland. To attempt to give it interpretation at any distance from the original context is tantamount to heresy.

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11. The "Economic Problems of Socialism in the U S S R" as outlined by STALIN were discussed in Party circles in the light of similar problems in Poland. The interpretation was limited, except possibly in high Party echelons []

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The only significant advice to Communist parties outside the Soviet orbit, [] was the exhortation to workers and peasants alike to take up the standard of freedom from the bourgeois elements which have proven themselves incapable of fulfilling their responsibility to the working masses (or words to that effect).

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12. [] no significant changes in the work of Department X after STALIN's death and BERIA's arrest and execution. The priority of targets remained essentially the same during the period.

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13. [] the assumption that policy directives flow in any formal manner from Moscow to the PZPR leadership in Poland is invalid. More often than not, instructions from Moscow travel by word of mouth. If the instructions involved require strict interpretation, BIERUT himself would travel to Moscow to receive them. Otherwise, they might be transmitted through the Soviet Ambassador in Warsaw or the Polish Ambassador in Moscow. The concept seemingly prevalent in the West that Moscow constantly floods its Satellites with orders and directives is erroneous and alien to the essential character of the Communist conspiracy. []

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[] recent modifications to the Six Year Plan as an instance where Moscow established the line for the reduction of prices on consumer goods but Poland formulated its own plans for specific changes in prices.

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